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TAGS: PREL PGOV SY LE EUN AU
SUBJECT: AUSTRIAN MFA ON RELATIONS WITH SYRIA: "CRITICAL DIALOGUE"

REF: STATE 78880

Classified By: A/DCM Dean Yap. Reason: 1.4(b) and (d)

- 11. (C) Summary. Austria acknowledges the problems of dealing with Syria and the lack of concrete progress in the European dialogue with Damascus thus far. Nonetheless, Vienna sees multiple potential dangers to the broader Middle East should Syria be isolated. Austria does and will continue to make specific demands of Syria in its "critical dialogue" and would welcome USG ideas on areas where Syria might be especially open to pressure from Europe. End Summary.
- 12. (C) A/DCM met July 25 with Austrian MFA Acting Political Director Thomas Hajnoczi and Acting Middle East Director Christoph Meran to discuss the Austrian rationale for engagement with Syria, plans for future steps, and to stress the need for realistic and goal-focused engagement. Hajnoczi began by acknowledging the difficulty of dealing with Syria, noting that the Austrians had seen little progress and affirming that Austrians' "critical dialogue" with the SARG included specific demands, such as on human rights. That said, in the Austrian view it was important to offer Damascus a perspective for the future in order to discourage Syria from lapsing into a purely obstructionist or worse mode. Austria believes Syria could have a very negative role on a range of issues in the broader Middle East. Moreover, Meran noted, Austria's limited role gave it little scope to apply negative pressure to the Syrian regime.
- 13. (C) Meran said that Austria's engagement with Syria was focused on four areas: the environment, trade and investment issues, development of democracy and civil society, and agricultural development. Draft agreements existed in some of these areas, for example on trade and good governance, Hajnoczi reported, but they were on ice pending improvements in Syrian behavior.
- 14. (C) Emboff stressed that, while the USG acknowledges that Europe will continue to engage Syria, we were concerned that Syrian action had not begun to match its rhetoric and that intensified engagement provided concrete political benefits to the Syrian regime at no cost. Emboff reviewed the many points raised in reftel in which Syrian behavior was at odds with Syrian rhetoric and western goals. Hajnoczi and Meran acknowledged the justice of most of these points, though Meran noted that Israeli PM Olmert had, in public at least, praised the indirect dialogue with Syria via Turkey as a new development worth promoting. Meran also took issue with the idea that Syria had gained political benefits from European engagement, arguing that Syria's influence in Arab circles

had fallen significantly in recent years and showed few signs of recovery. Domestically, Meran said that Austrian FonMin Plassnik had the impression from her fall 2007 visit that Asad was hemmed in by domestic factions and had little room for maneuver.

- 15. (C) Emboff reiterated the overall lack of concrete action on Syria's part and urged that in future exchanges the Austrians and other Europeans focus on achieving concrete outcomes in the many areas of concern. Hajnoczi said that this would continue to be an important part of Austria's dialogue. In that context, the GoA would welcome any insight the U.S. might have on specific areas where Syria would be most vulnerable to diplomatic engagement.
- 16. (C) As to next steps, neither interlocutor expected new substantive exchanges between Austria and Syria for at least six months, while Austria's leaders are pre-occupied with upcoming elections and subsequent negotiations on a new governing coalition. An invitation to the Syrian Environment and Agriculture Ministers to visit Vienna in September has been postponed; the visit will probably not take place until early 2009 at the earliest, after a new government is formed. The only new "development" they foresaw in the relationship was the dispatch of a new Austrian Ambassador to Damascus in the fall.

 Girard-diCarlo